

637.12
M3a1-3
June 1997

DEPARTMENT OF LIVESTOCK



MARC RACICOT, GOVERNOR

301 N ROBERTS ST - RM 236
PO BOX 202001
HELENA, MONTANA 59620-2001

STATE OF MONTANA

(406) 444-2875 MILK CONTROL BUREAU

(406) 444-1432 FAX

BEFORE THE BOARD OF MILK CONTROL OF THE STATE OF MONTANA ANNOUNCEMENT OF CLASS I, II & III PRODUCER PRICES

PUBLISHED: June 5, 1997
EFFECTIVE: July 1, 1997
12:01 a.m.

PRODUCER CLASS I PRICE IN MONTANA

REF: ARM 32.24.301(3)

EFFECTIVE JULY 1, 1997:

The minimum price to pay milk producers, under ARM 32.24.301, is \$13.25 per hundred pounds of milk testing 3.5% butterfat, f.o.b. the milk distributor's plant.

When milk does not test 3.5% butterfat, compute the applicable price by applying a differential of eleven and one-half cents for each one-tenth of one percent butterfat above or below the midpoint of each producer payment. The value of one pound of butterfat utilized will be one dollar and fifteen cents (\$1.15).

PRODUCER CLASS II PRICE IN MONTANA

REF: ARM 32.24.301(4)

CLASS II PRICE FOR MILK TESTING 3.5%

\$12.02 /CWT

Average spray process dry milk solids			
price per pound	=	\$1.09750	
Multiplied by 8.2	x	8.2	
		\$8.99950	\$8.99950
	PLUS +		
Average Grade 'A' 92 score butter			
price per pound	=	\$0.98500	
Multiplied by 4.2	x	4.2	
		\$4.13700	+ \$4.13700
			\$13.13650
LESS 8.5% (\$13.13650 X .085)		- \$1.11660
			\$12.01990
Rounded to the nearest whole cent = \$12.02 /hundredweight.			

CLASS II BUTTERFAT PRICE PER POUND**\$1.10 /LB**

Butterfat differential	(\$0.98500	X .111)	=	\$0.10934
Rounded to the nearest half cent				=	\$0.110

CLASS II VALUE OF ONE POUND OF SKIM**0.084663212 /LB**

Butterfat value per pound	=	\$1.10	
for milk at 3.5% test:			
Hundredweight price of milk testing 3.5%			= \$12.02
LESS 3.5 pounds of butterfat at	\$1.10 per pound		- \$3.850
Value of 96.5 pounds of skim			= \$8.170
Value of one pound of skim	8.170 / 96.5 pounds)		= \$0.08466 /LB

PRODUCER CLASS III PRICE IN MONTANA

REF: ARM 32.24.301(5)

CLASS III BUTTERFAT PRICE PER POUND**\$0.89 /LB**

Avg. Grade 'A' 92 score butter price/LB	\$0.98500
LESS 10%	\$0.09850
	\$0.88650
Rounded to the nearest whole cent	= \$0.89 per pound.

CLASS III PRICE PER CWT FOR SKIM MILK UTILIZED**7.46958 /CWT**

Avg. spray process dry milk solid price/LB	\$1.09750
Multiplied by 8.2	8.2
	\$8.99950
LESS 17%	\$1.52992
	\$7.46958

Rounded to the nearest whole cent	=	\$7.47 per hundredweight.
-----------------------------------	---	---------------------------

CLASS III PRICE PER CWT FOR MILK TESTING 3.5%**\$10.32 /CWT**

3.5 pounds of butterfat	x	\$0.89 per pound =	\$3.115
96.5 pounds of skim		\$0.07470 per pound =	\$7.209

\$10.324 /CWT**BY ORDER OF THE MONTANA MILK CONTROL BUREAU**

Compiled by: Marlys M. Koontz
 Marlys M. Koontz, Program Specialist
 Montana Milk Control Bureau

BREAKDOWN BY TEST FOR CLASS I, II & III SKIM PRICES

CLASS I SKIM PRICE BASED ON \$13.25 FOR 3.5% MILK 96.5 LBS = \$9.225		CLASS II SKIM PRICE BASED ON \$12.02 FOR 3.5% MILK 96.5 LBS = \$8.170		CLASS III SKIM PRICE BASED ON \$10.32 FOR 3.5% MILK 96.5 LBS = \$7.209	
TEST	PRICE/LB	TEST	PRICE/LB	TEST	PRICE/LB
2.50	\$0.09462	2.50	\$0.08379	2.50	\$0.07393
2.55	\$0.09466	2.55	\$0.08384	2.55	\$0.07397
2.60	\$0.09471	2.60	\$0.08388	2.60	\$0.07401
2.65	\$0.09476	2.65	\$0.08392	2.65	\$0.07405
2.70	\$0.09481	2.70	\$0.08397	2.70	\$0.07409
2.75	\$0.09486	2.75	\$0.08401	2.75	\$0.07412
2.80	\$0.09491	2.80	\$0.08405	2.80	\$0.07416
2.85	\$0.09496	2.85	\$0.08410	2.85	\$0.07420
2.90	\$0.09501	2.90	\$0.08414	2.90	\$0.07424
2.95	\$0.09505	2.95	\$0.08418	2.95	\$0.07428
3.00	\$0.09510	3.00	\$0.08423	3.00	\$0.07431
3.05	\$0.09515	3.05	\$0.08427	3.05	\$0.07435
3.10	\$0.09520	3.10	\$0.08431	3.10	\$0.07439
3.15	\$0.09525	3.15	\$0.08436	3.15	\$0.07443
3.20	\$0.09530	3.20	\$0.08440	3.20	\$0.07447
3.25	\$0.09535	3.25	\$0.08444	3.25	\$0.07451
3.30	\$0.09540	3.30	\$0.08449	3.30	\$0.07455
3.35	\$0.09545	3.35	\$0.08453	3.35	\$0.07458
3.40	\$0.09550	3.40	\$0.08458	3.40	\$0.07462
3.45	\$0.09555	3.45	\$0.08462	3.45	\$0.07466
3.50	\$0.09560	3.50	\$0.08466	3.50	\$0.07470
3.55	\$0.09565	3.55	\$0.08471	3.55	\$0.07474
3.60	\$0.09570	3.60	\$0.08475	3.60	\$0.07478
3.65	\$0.09574	3.65	\$0.08480	3.65	\$0.07482
3.70	\$0.09579	3.70	\$0.08484	3.70	\$0.07486
3.75	\$0.09584	3.75	\$0.08488	3.75	\$0.07489
3.80	\$0.09589	3.80	\$0.08493	3.80	\$0.07493
3.85	\$0.09594	3.85	\$0.08497	3.85	\$0.07497
3.90	\$0.09599	3.90	\$0.08502	3.90	\$0.07501
3.95	\$0.09604	3.95	\$0.08506	3.95	\$0.07505
4.00	\$0.09609	4.00	\$0.08510	4.00	\$0.07509
4.05	\$0.09614	4.05	\$0.08515	4.05	\$0.07513
4.10	\$0.09619	4.10	\$0.08519	4.10	\$0.07517
4.15	\$0.09624	4.15	\$0.08524	4.15	\$0.07521
4.20	\$0.09629	4.20	\$0.08528	4.20	\$0.07525
4.25	\$0.09634	4.25	\$0.08533	4.25	\$0.07529
4.30	\$0.09639	4.30	\$0.08537	4.30	\$0.07532
4.35	\$0.09645	4.35	\$0.08542	4.35	\$0.07536
4.40	\$0.09650	4.40	\$0.08546	4.40	\$0.07540
4.45	\$0.09655	4.45	\$0.08550	4.45	\$0.07544
4.50	\$0.09660	4.50	\$0.08555	4.50	\$0.07548

